

AUDIT & RISK COMMITTEE CHARTER

THORNEY OPPORTUNITIES LTD
ABN 41 080 167 264
Level 45, 55 Collins St. Melbourne VIC 3000 Australia

This charter was most recently reviewed and amended by the Board of Thorney Opportunities Ltd (**Company**) on 19 August 2026 to align it with the Corporate Governance Statement for the financial year ended 30 June 2026 which was approved by the Board on 4 August 2026.

1. Introduction

1.1 The Audit and Risk Committee (ARC) is a committee of the Board of Directors of the Company.

1.2 The Committee has been established under the Company's constitution.

1.3 This Charter sets out the scope of the Committee's responsibilities in relation to the Company.

1.4 The Company is currently an ASX Listed Investment Company and has appointed a number of outsourcing providers to support its business activities. Functions that have been outsourced include investment management, portfolio administration and company secretarial functions as well as custodian and prime broker services.

1.5 These services have been provided from or arranged by Thorney Management Services Pty Ltd (Investment Manager) under an investment management agreement approved by shareholders.

2. Definitions

ARC or Committee means the Audit and Risk Committee of the Company.

ASX Recommendations means the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition), as amended or replaced from time to time.

Board means the Board of Directors of Thorney Opportunities Ltd.

Company means Thorney Opportunities Ltd ACN: 080 167 264.

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001 (Cth)*.

Directors means the members of the Board.

IMA means the investment management agreement between the Company and the Investment Manager approved by shareholders.

Independent, in relation to a director, means a director who is free of any interest, position or relationship that might influence, or reasonably be perceived to influence, the independent exercise of that director's judgement, assessed having regard to the factors set out in Box 2.3 of the ASX Recommendations.

Investment Manager means Thorney Management Services Pty Ltd ACN 164 880 148.

3. Purpose of Charter

3.1 The purpose of the Committee is to assist the Board in discharging its responsibilities in relation to effective management of financial and operational risks while obtaining assurance in respect of the effectiveness of its internal controls.

3.2 In general this assistance includes oversight of accounting and tax compliance, accounting and tax treatments adopted by the Company, compliance with laws and regulations and external audit reports.

3.3 The Committee will promote a culture of compliance and ensure effective communication between the Board, the Investment Manager and other outsource service providers. The Committee must ensure the audit functions and communications between the Board and the auditors is effective and that financial and non-financial information provided to Directors is of high quality and relevant to the judgments to be made by them.

3.4 Primary responsibility for setting the Company's investment strategy, and for the oversight of market, portfolio concentration and counterparty exposures, rests with the Board. The Committee's role in relation to those risks is to review the adequacy of the framework by which they are identified, measured, monitored and reported to the Board, and to report to the Board on any deficiency in that framework.

3.5 In fulfilling its responsibilities, the Committee receives regular reports from the Investment Manager and the external auditor and periodically meets with the external auditor.

3.6 The conduct of the Committee is also governed by the Constitution of Thorney Opportunities Ltd, a copy of which is located at www.thorney.com.au/thorney-opportunities/.

4. Internal controls and risk management

4.1 The Committee will oversee the establishment and implementation of risk management and internal compliance and control systems and ensure there is a mechanism for assessing the efficiency and effectiveness of those systems.

4.2 ARC needs to assess whether the Company is setting an appropriate culture of controls.

4.3 ARC needs to assess any recommendations made by the external auditors with regard to internal control and the operational risk management framework's overall effectiveness.

4.4 ARC should obtain appropriate assurance in respect of the overall effectiveness of the internal control and operational risk management framework of the Company and the Investment Manager.

4.5 The Company's risk management systems and compliance processes should be tested and be operating efficiently and effectively.

4.6 The Committee should approve and recommend to the Board the adoption of policies and procedures on risk oversight and management to establish an effective and efficient system for identifying, assessing, monitoring and managing risk and disclosing any material change to the risk profile. Importantly, the Committee should regularly review the Company's risk profile and make any recommendations to the Board that it sees fit.

4.7 The risk management system takes into account all material risks, including risks arising from:

- implementing strategies (strategic risk);
- operations or external events (operational risk);
- regulatory compliance (legal risk);
- changes in community expectation of corporate behaviour (reputation risk);
- being unable to fund operations or convert assets into cash (liquidity risk); and
- environmental, social and sustainability risks, including indirect exposure arising through the Company's portfolio investments (sustainability risk).

4.8 The Committee should make recommendations to the Board in respect of the Company's risk appetite and should monitor and ensure compliance with legal and regulatory requirements as well as corporate governance requirements.

4.9 The Committee should:

- undertake reviews as directed by the Board;
- make recommendations to the Board in relation to the Company's insurance program;
- review the findings of examinations by regulatory agencies and discuss any reports concerning material violations of laws and regulatory requirements that impact on financial reporting, tax or compliance with legislation of the Company and evaluate the adequacy of the Company's response to identified breaches; and
- make inquiries to evaluate the completeness and quality of financial and operational information being provided to the Board, make recommendations for improvements and seek advice from the external auditors as required.

4.10 The Committee will review the Company's risk management framework at least annually and will report to the Board whether the framework continues to be sound and whether the Company is operating with due regard to the risk appetite set by the Board. The fact and outcome of each review will be recorded in the minutes of the Committee, and the date on which the most recent review was completed will be disclosed in the Corporate Governance Statement. The Committee must report the outcome of that review to the Board. Any material actual or prospective departure from the Board-approved risk appetite must be promptly reported to the Board.

5. Outsourcing providers

5.1 The Committee is responsible for reviewing the operational performance, service delivery and control environment of the Company's outsourced service providers, and for reviewing and recommending to the Board for execution agreements with those providers.

5.2 Oversight of the Investment Manager's investment performance, and of the terms and operation of the IMA, is a matter for the Board (and any sub-committee of the Board constituted for that purpose) and is not delegated to the Committee. The Committee must refer to the Board any matter arising in the course of its work that is relevant to that oversight.

6. Financial reporting

6.1 The Committee is responsible for reviewing financial reports and financial information prepared by the Investment Manager and understanding the impact of significant accounting

and reporting issues, including recent professional and regulatory pronouncements on the financial reports for the Company.

6.2 Other responsibilities include:

- assessing the appropriateness and application of the Company's accounting policies and principles and any changes to them, to ensure compliance with the financial reporting framework;
- obtaining an independent opinion from the external auditor about the acceptability and appropriateness of the Company's accounting policies and principles and the clarity of the Company's current or proposed financial disclosure practices.
- reviewing and discussing with the Investment Manager and the external auditor (as required) the areas of significant estimates or judgments, non-compliance with laws and regulations, accounting and tax matters and risks, and the management of those risks.
- reporting to the Board on matters which may significantly impact the financial condition of the Company;
- reviewing information from advisers and external auditors before any market releases are approved by the Board;
- monitoring the continuous disclosure process adopted by the Board and recommending to the Board any necessary changes;
- recommending to the Board whether the financial reports of the Company are in order for adoption; and
- reviewing compliance with all related party disclosures requirements (where applicable) established by accounting standards and the *Corporations Act 2001 (Cth)*.

6.3 The Committee will satisfy itself that the Company has, and applies, appropriate processes to verify the integrity of any periodic corporate report released to the market that is not audited or reviewed by the external auditor, including monthly NTA statements and shareholder updates, and will review the adequacy of those processes at least annually.

6.4 Before recommending to the Board that the financial reports of the Company are in order for adoption, the Committee will receive and consider the declarations given for the purposes of section 295A of the Corporations Act and ASX Recommendation 4.2, and will satisfy itself as to the basis on which those declarations have been formed.

7. External audit

7.1 The Committee is responsible for reviewing and recommending to the Board the terms of engagement (including fees) of the external auditor, including the appointment or removal.

7.2 The Committee should review and approve the annual audit plan including the scope of the external audit and identified risk areas.

7.3 ARC should receive input from the Investment Manager on the performance of the external auditor.

7.4 ARC should review the independence and performance of the external auditor annually or as required and should ensure any recommendations made, are appropriately acted on.

7.5 For the purposes of the Directors Report the Committee needs to advise whether the provision of all non-audit services by or on behalf of the external auditor during the financial year comply with the statutory auditor independence requirements and the Company's policy, together with the reasons why.

7.6 If necessary, the Committee should meet separately with the external auditor to discuss matters as required and discussing with the external auditor matters arising in the normal course of audit work, including any restriction on audit scope or access to information.

7.7 Where appropriate, the Committee should ensure that the external audit engagement partners are rotated in accordance with relevant statutory requirements, and otherwise after a maximum of five years' service; and must review all management representation letters signed on behalf of the Company.

8. Internal audit

8.1 The Company does not maintain a separate internal audit function. The Board has determined that, having regard to the fact that the Company has no employees and that its operations are managed by the Investment Manager under the IMA, a standalone internal audit function is not necessary or proportionate.

8.2 In place of an internal audit function, the Committee will evaluate, and seek to continually improve, the effectiveness of the Company's governance, risk management and internal control processes by reviewing the internal control processes maintained by the Investment Manager, by considering reports from the Investment Manager and the external auditor (including any management letter, control deficiency or recommendation arising from the external audit), and by satisfying itself that recommendations directed to internal control are appropriately actioned and tracked to completion.

8.3 The Committee will review the requirement for an internal audit function at least annually and will make a recommendation to the Board if it considers that such a function should be established.

8.4 If the Board determines to establish an internal audit function, the Committee will be responsible for:

- the engagement and dismissal of any chief internal audit executive or third party internal audit service provider (Internal Auditor);
- ensuring any Internal Auditor is independent of the external auditor;
- overseeing the scope of the internal audit (including reviewing the internal audit team's mission, charter, qualifications and resources);
- reviewing and approving the annual internal audit plan and ensure that it addresses key areas of risk and that adequate resources have been assigned;
- reviewing the internal audit reports and ensuring significant findings and recommendations made, are appropriately acted on;
- meeting separately with internal audit to discuss matters as required; and
- monitoring and reporting to the Board on the responsiveness to internal audit findings and recommendations.

9. Other responsibilities

9.1 The Committee is responsible for

- overseeing the development and implementation of the corporate governance policies allocated to it by the Board.
- assessing compliance with the various codes, policies and charters.
- recommending to the Board for adoption the scope, cover and cost of insurance, including insurance relating to directors and officers' liability.

9.2 The Committee is the Board committee to which the following are reported, and the Committee will report to the Board on each: material breaches of the Code of Conduct; material incidents reported under the Whistleblower Policy, subject to the confidentiality protections in that policy; and any material incident of bribery or corruption.

9.3 The Company does not maintain a standalone anti-bribery and corruption policy. The Committee will review annually whether the anti-bribery and corruption provisions of the Code of Conduct, together with the Investment Manager's conflict of interest procedures, remain adequate, and will report to the Board on whether a dedicated policy has become warranted.

10. Committee composition

10.1 The Committee must comprise at least three members, all of whom must be non-executive directors and at least one of whom must be an independent director.

10.2 All directors are invited to and should attend each meeting.

10.3 The Board will appoint the chairperson. The chairperson must be an independent director and may not be the chairperson of the Board.

10.4 The secretary of the Company will be the secretary of the Committee.

10.5 The Committee must be of sufficient size, independence and technical expertise to effectively discharge its mandate.

10.6 Each member of the Committee should be able to read and understand financial statements and at least one member must have experience in financial and accounting matters.

10.7 Each member of the Committee should have an appropriate understanding of listed investment companies and the funds management industry.

10.8 A member may not act by an alternate unless the alternate is a non-executive director who satisfies the requirements of clauses 10.5 to 10.7 and the appointment of the alternate is approved by the Board.

10.9 The Board's objective is that a majority of the members of the Committee be independent directors and that the Committee be chaired by an independent director, consistent with ASX Recommendations 4.1 and 7.1. If the composition of the Committee does not satisfy this objective, the Board must review the composition of the Committee and ensure that the departure and the reasons for it are appropriately disclosed in the Company's corporate governance statement.

10.10 Where the composition of the Board does not permit a majority of the members of the Committee to be independent directors, the Board will ensure that the Committee is chaired by an independent director, will disclose the departure and the Board's reasons for considering the composition of the Committee to be appropriate in the Corporate Governance Statement, and will review the position at least annually and on any change to the composition of the Board.

10.11 A member of the Committee must declare to the Committee any material personal interest in a matter before the Committee, including any interest in, or association with, the Investment Manager or any of its related bodies corporate.

10.12 Where the Committee is considering the IMA, the fees or performance of the Investment Manager, or a related party transaction involving the Investment Manager, only those members who are free of any association with the Investment Manager may participate in the deliberations of, and vote on, that matter, and the chairperson of the Committee may require any other member to withdraw from that part of the meeting.

11. Committee meetings

11.1 ARC will meet a minimum of 3 times each year.

11.2 A quorum for ARC meetings is 2 Committee members, and must include the chairperson of the Committee or, in the chairperson's absence, at least one independent director.

11.3 Committee meetings may be held using technology allowing members to participate in discussions even if all of them are not physically present in the same place. A member who is not physically present but is participating using technology is taken to be present.

11.4 Without holding a meeting the Committee may pass or approve a circular or written resolution. A circular or written resolution signed by a majority of all members (which majority must include the chairperson of the Committee) will be effective as a resolution duly passed at a Committee meeting and may consist of several documents in like form, each signed by one or more members. The expression "written" includes fax or other electronic means.

11.5 The Committee may invite other persons it regards appropriate to attend Committee meetings. Representatives of the Investment Manager may be invited to join meetings of the Committee, and may be invited by the ARC chairperson to speak at meetings of the Committee, but will not be entitled to vote on matters put to the Committee, and shall leave a meeting if requested to do so by the chair.

11.6 The Committee will adopt an annual work plan setting out the matters to be considered at each scheduled meeting, including the annual review of the Company's risk management framework, the annual review of the independence and performance of the external auditor, the annual review of the requirement for an internal audit function, and the annual review of this Charter.

12. Company Secretary

12.1 The secretary should circulate the agenda and committee papers a reasonable period in advance of each meeting.

12.2 The Company Secretary is available to keep minutes of meetings, if required.

12.3 Draft minutes of each Committee meeting should be completed in time as to be included in the board papers for the next full Board meeting after each ARC meeting.

12.4 Minutes must be distributed to all ARC members, after the ARC chair has approved them.

12.5 Minutes, agenda and supporting papers are available to Directors upon request to the Committee secretary, except if there is a conflict of interest.

13. Committee Chair to report to the Board

13.1 The Committee chair must report the Committee's findings to the Board after each Committee meeting.

14. Access to information and independent advice

14.1 The Committee may seek any information it considers necessary to fulfil its responsibilities.

14.2 The Committee may access the external auditors, with or without the presence of the Investment Manager, to seek explanations and information from them.

14.3 The Committee may seek professional advice from appropriate external advisers, at the Company's cost.

14.4 Where a director wishes to obtain independent professional advice at the Company's expense and the chairperson of the Board has an actual or potential conflict of interest in relation to the matter, the chairperson of the Committee may approve the obtaining of that advice.

15. Review and changes to this Charter

15.1 The Committee will conduct an appraisal of the performance of its members, adherence to its Charter and achievement of its objectives every 2 years.

15.2 The Committee will review this Charter annually and recommend any amendments to this Charter to the Board for approval.

15.3 When appropriate, the Board can make changes to this Charter at any time by resolution.

16. Publication of the Charter

16.1 Key features of the charter are outlined in the annual reports to shareholders each year.

16.2 A copy of the charter is available at www.thorney.com.au/thorney-opportunities/

16.3 The charter is to be made available to shareholders of the Company upon request.

16.4 The Company will disclose in the Directors' Report the members of the Committee, their qualifications and experience, and the number of Committee meetings held during the year and attended by each member.